

The instructions, *inter alia*, include the following details:—

- (a) All foreign suppliers who wish to appoint Indian Authorised Representatives/Agents would register them with the Ministry of Defence.
- (b) The Authorised Representative/Agent could be an individual, a partnership, a limited company Private or Public;
- (c) The agent must be an income tax payee.
- (d) The foreign supplier appointing an agent must furnish copies detailing agreement/terms of appointment.
- (e) The obligations of an Authorised Representative/Agent will flow from the contract entered with the Ministry of Defence.
- (f) The foreign supplier will have to declare the payments made to the Authorised Representative/Agent. These payments will be made only in Rupees.
- (g) Particulars relating to agency commission would be reported to the Enforcement Directorate of Central Board of Direct Taxes;
- (h) The agent will be appointed with the approval of the Secretary of the Department or by an officer authorised by him.
- (i) The Ministry of Defence, would have the right to terminate the appointment of Authorised Representative/Agent without any notice or assigning any reason.

These instructions will be applicable to future contracts.

Destroying militant bunkers in J&K

1074. SHRI RAMACHANDRA KHUNTIA:

SHRI K. RAMA MOHANA RAO:

Will the Minister of DEFENCE be pleased to state:

- (a) whether it is a fact that militants have made bunkers in Poonch and other districts of J&K;
- (b) if so, number of such bunkers and how these bunkers came

into existence despite heavy military presence; and

(c) the fresh steps taken by Government to comb the area afresh and destroy all such bunkers as early as possible?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) and (b) There are no reports on the existence of terrorists' bunkers in Poonch or in other districts in Jammu and Kashmir. In a few cases, Army/Rashtriya Rifles (RR) have discovered hideouts in the upper reaches of Surankot Tehsil and other remote areas of Poonch district. These hideouts were used as logistic bases by the terrorists and were destroyed by the Army/RR. Though the Army/RR have established a Counter Insurgency grid in these areas, the vast and rugged terrain poses difficulties to the presence of the Army/RR at each and every location. Despite this, Army/RR operations have been very effective in neutralising the terrorists and destroying the hideouts.

(c) Proactive counter Proxy War operations continue to be conducted by the Army/Rashtriya Rifles.

Pilferage of gun shells on route to Jabalpur Ordnance Factory

1075. SHRI K. RAMA MOHANA RAO: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that gun shells contained in one load of wagon transported from Visakhapatnam, Andhra Pradesh to Jabalpur Ordnance Factory were stolen in the 2nd week of September, 2001;

(b) if so, the details thereof;

(c) whether any enquiry has been instituted; and

(d) if so, what action has been taken against the culprits?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) No, Sir.

(b) to (d) Do not arise.